

DAILY MARKETS OVERVIEW

16 DECEMBER 2018

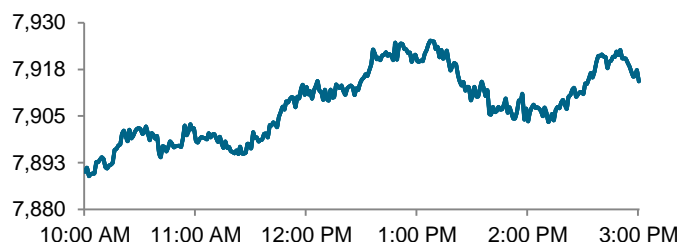
السوق السعودي كابتال

Saudi Fransi Capital

Distinguished Service, Outstanding Performance



TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	7,914	0.3	0.8	9.5	17.1
Saudi (NOMU)	2,515	2.9	4.1	-19.9	8.4
Energy	4,966	0.2	-1.2	16.0	18.8
Materials	5,509	0.3	0.4	9.0	17.1
Capital Goods	4,039	0.3	0.3	-7.0	23.0
Com. & Prof. Svc	4,459	0.0	0.8	6.0	19.0
Transportation	3,595	-0.3	1.3	-10.4	21.3
Cons. Durables & Apparel	3,721	0.3	0.8	-10.1	NA
Consumer Services	3,065	0.0	0.5	-16.8	NA
Media	11,201	-0.2	-0.9	44.8	NA
Retailing	6,903	-0.5	-0.5	22.5	32.3
Food & Staples Retailing	6,062	-0.1	0.4	8.0	24.4
Food & Beverages	3,925	-0.3	-1.1	-19.9	NA
Health Care Equipment	3,842	2.3	3.7	-13.5	20.1
Pharma, Biotech & Life Science	3,879	0.0	0.3	-2.3	27.0
Banks	7,107	0.1	0.9	29.2	12.7
Diversified Financials	3,434	0.0	2.5	-14.8	NA
Insurance	4,299	0.7	3.1	-9.0	NA
Telecommunication	5,243	2.0	2.7	23.3	16.9
Utilities	3,498	0.6	2.0	-23.3	NA
REITs	3,622	0.3	-0.2	-21.8	NA
Real Estate	3,317	1.0	1.8	-29.4	23.9

Sources: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
Saudi Enaya Cooperative Insurance Co.	19.90	9.9%	0.3
Amana Cooperative Insurance Co.	25.05	9.9%	92.3
Allianz Saudi Fransi Cooperative Insurance Co.	31.70	8.4%	36.4
Eastern Province Cement Co.	22.78	4.5%	22.3
Dallah Healthcare Holding Co.	61.50	4.4%	34.3

Source: Tadawul

Upcoming General Assembly Meetings

Company	Date
National Agricultural Marketing Co.	16-Dec-18
Saudi Chemical Co.	17-Dec-18
Saudi Airlines Catering Co.	17-Dec-18
Saudi Company for Hardware	17-Dec-18
Saudi Electricity Co.	18-Dec-18
Saudia Dairy and Foodstuff Co.	18-Dec-18

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of December 16, 2018
(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- TASI closed 0.3% higher at 7,914, while NOMU ended 2.9% higher at 2,515 on Thursday. TASI traded value totaled SAR 2.5bn and averaged SAR 3.0bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 35% of the daily traded value.
- Banks and Materials closed 0.1% and 0.3% higher, respectively. Telecom ended 2.0% higher. Health Care Equipment (up 2.3%) was the best performer. Among stocks, Amana Cooperative Insurance Co. (8310/AMANA AB), Allianz Saudi Fransi Cooperative Insurance Co. (8040/ALLIANZ AB), and Eastern Province Cement Co. (3080/EACCO AB) led the gainers.
- The Saudi General Authority of Civil Aviation (GACA)'s Chairman revealed plans to privatize King Abdulaziz International Airport (KAIA) by 1H19. (Source: Argaam)
- The Minister of Environment, Water and Agriculture revealed that Saudi Agricultural Development Fund (ADF) posted a surplus of SAR 6.0mn (USD 1.6mn) in the current fiscal year. The surplus is likely to rise to SAR 65mn (USD 17.3mn) in 2019. (Source: Argaam)
- The Saudi General Authority for Competition (GAC) approved a move to file a penal lawsuit before the competent committee against cement producers who are planning to form a cartel. No details were mentioned about the target cement firms. (Source: Argaam)
- The Norway's sovereign wealth fund (SWF) plans to increase its investments in KSA in 2019 due to its significant economic growth. The Norwegian wealth fund revealed that it had invested SAR 3.1bn (USD 831mn) in around 42 Saudi firms, and added that it plans to more than double its investments in KSA soon. (Source: Argaam)
- The National Energy Services Reunited Corporation (NESR) signed a land lease agreement with Saudi Aramco to build an operating facility in the newly launched King Salman Energy Park (SPARK). The new facility will be NESR's flagship operating facility in the country and would host all its product lines as well as that of its technical partners (Source: Argaam)
- Alkhaleej Training and Education Co. (4290/ALKHLEEJ AB) secured a contract worth SAR 17.5mn (USD 4.6mn) to provide the Ministry of Justice with the unified call services. (Source: Argaam)
- Dallah Healthcare Holding Co.'s (4004/DALLAH AB) BoD recommended a cash dividend of SAR 1.5 per share for 1H18, implying a full-year yield of 4.9%. (Source: Argaam)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
Saudi Company for Hardware	99.60	-2.7%	8.3
Wataniya Insurance Co.	25.20	-2.7%	11.0
MEFIC REIT Fund	8.52	-2.1%	2.7
Saudi Arabia Refineries Co.	41.45	-1.8%	19.7
Abdullah A. M. Al-Khodari Sons Co.	7.02	-1.5%	25.1

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Saudi Industrial Export Co.	99.10	2.2%	248
Alinma Bank	22.24	0.0%	211
Saudi Basic Industries Corp.	120.00	0.7%	190
Al Rajhi Bank	86.70	-0.3%	120
Amana Cooperative Insurance Co.	25.05	9.9%	92

Source: Tadawul

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GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,599	1.0	0.7	-22.9	8.8
Abu Dhabi (ADX)	4,862	0.5	-0.3	10.5	13.2
Kuwait (KSE)	5,161	-0.1	-0.4	0.7	18.4
Qatar (QE)	10,456	0.2	-1.3	22.7	15.5
Oman (MSM)	4,448	-0.8	-2.2	-12.8	10.5
Bahrain (BSE)	1,319	-0.1	-0.1	-0.9	8.9
DJMENA Index	561	0.3	0.3	6.6	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	2,600	-1.9	-1.3	-2.8	17.8
US (NASDAQ 100)	6,911	-2.3	-0.8	0.1	20.0
UK (FTSE 100)	6,845	-0.5	1.0	-11.0	15.5
Germany (DAX)	10,866	-0.5	0.7	-15.9	11.9
France (CAC 40)	4,854	-0.9	0.8	-8.6	15.0
Russia (MICEX)	2,366	-0.5	-2.7	12.1	5.5
Japan (Nikkei)	21,375	-2.0	-1.4	-6.1	14.8
Hong Kong (HSI)	26,095	-1.6	0.1	-12.8	9.9
South Korea (KOSPI)	2,069	-1.2	-0.3	-16.1	10.0
China (SHCOMP)	2,594	-1.5	-0.5	-21.6	12.2
India (NIFTY)	10,805	0.1	1.0	2.6	22.2
Brazil (IBOV)	87,450	-0.4	-0.8	14.5	19.4
Turkey (BIST 100)	90,529	-0.9	-3.4	-21.5	6.6
Egypt (EGX30)	12,997	0.0	4.9	-13.5	12.0
MSCI Emerging Markets	972	-1.4	-1.0	-16.1	11.7
MSCI World	1,943	-1.6	-1.2	-7.6	16.1

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	60.3	-1.9	-2.3	-9.9	-4.8
Natural Gas (\$/mmbtu)	3.8	-7.2	-14.8	36.3	26.8
Gold (\$/oz)	1,238	-0.3	-0.9	-5.2	-1.2
Silver (\$/oz)	14.6	-1.2	-0.4	-14.6	-8.3
Platinum (\$/oz)	788	-1.1	-0.7	-15.4	-10.7
Copper (\$/t)	6,128	-0.5	-0.3	-15.0	-9.4
Zinc (\$/t)	2,569	-2.4	-4.2	-23.0	-19.4
Lead (\$/mt)	1,927	-1.3	-1.9	-22.8	-22.1
Wheat (\$/bu)	530	-1.1	-0.2	13.8	8.2
Corn (\$/bu)	385	0.1	-0.2	0.2	-1.5
Sugar (\$/lb)	12.7	-0.8	-1.7	-16.8	-12.3

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	2.80	0.01	1.11	0.00
Saudi Arabia	2.89	0.01	0.99	0.09
UAE	2.84	-0.07	1.05	0.04
Kuwait	2.13	0.00	0.25	-0.68
Qatar	2.84	0.00	0.19	0.04
Bahrain	3.80	0.00	1.08	1.00

Source: Reuters

NOTES: (1) Prices updated as of December 16, 2018 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate - Country 3M Rate

GCC & Global Markets Update

- US markets ended in the red on Friday. S&P 500 and NASDAQ declined 1.9% and 2.3%, respectively. Dow Jones Industrial closed 2.0% lower. In Europe, UK declined 0.5%, while Germany and France closed 0.5% and 0.9% lower, respectively.
- Asian markets ended mixed on Friday. China declined 1.5%. Japan and South Korea closed 2.0% and 1.2% lower, respectively. Hong Kong declined 1.6% while India ended 0.1% higher.
- GCC markets ended mixed on Thursday. Dubai and Abu Dhabi gained 1.0% and 0.5%, respectively. Kuwait declined 0.1% while Qatar closed 0.2% higher. Oman and Bahrain ended 0.8% and 0.1% lower, respectively.
- US jobless claims for the week ended December 8 stood at 206K (prior: 233K; consensus: 228K). (Source: Econoday)
- Change in China' Industrial Production for November 2018 stood at 0.36% M/M, 5.4% Y/Y (prior: 0.47% M/M, 5.9% Y/Y; consensus: 5.9% Y/Y). (Source: Econoday)
- Moody's stated that supportive oil prices and continued public spending support a stable 2019 outlook on non-financial companies in the Gulf Cooperation Council (GCC). (Source: Argam)
- The International Energy Agency stated that the global oil market could move into deficit sooner than expected driven by OPEC's output agreement with Russia and Canada's decision to cut supply. (Source: Zawya)
- UAE's Central Bank revealed that KSA and the UAE have started using FinTech for cross-border settlements, including a digital currency which they jointly developed for that purpose. (Source: Argam)
- UAE-based Dana Gas (DANA UH) revealed that its group production reached 70,000 barrels per day (bpd) in November. It added that current group production, in excess of 70,000 bpd, represents a significant increase compared to the company's nine-month average of 62,250 bpd. (Source: Trade Arabia)
- The UAE's developer Arada awarded three main construction contracts at its two projects, Aljada and Nasma Residences, in the Northern Emirate of Sharjah. Together these contracts would involve the construction of almost 800 new homes. (Source: Trade Arabia)
- Meydan Group stated that around 60% of structural work has already been completed at Meydan One in Dubai and the project is on track for its launch in early 2020. (Source: Trade Arabia)
- Dubai-based Trustworthy.ae group plans to invest AED 365mn (USD 100mn) in Khalifa Industrial Zone Abu Dhabi (KIZAD) to develop an inland container depot, a third-party container freight station and other port related services over the next five years. (Source: Arabian Business)
- Kuwait's Equate Group revealed it amended and extended a total of USD 2.9bn (KWD 882mn) in bank debt, split between a USD 1.9bn (KWD 578mn) term loan and a USD 1bn (KWD 304mn) revolving credit facility. (Source: Zawya)

Coming Up

- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended December 14 (prior: -1.2mn barrels) will be announced on December 19. (Source: Econoday)
- US jobless claims for the week ended December 15 (prior: 206K; consensus: 221K) will be announced on December 20. (Source: Econoday)
- Change in China' CPI for November 2018 (prior: 0.2% M/M, 1.4% Y/Y) will be announced on December 20. (Source: Econoday)



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